

LFC Requester:**Christina Keyes**

**AGENCY BILL ANALYSIS
2016 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original X **Amendment**
Correction **Substitute**

Date February 4, 2016

Bill No: SB 294

Sponsor: Senator Carlos R. Cisneros

Agency Code: 305

Short Private Hunting Land Sales

Person Writing Sally Malavé

Title: Gross Receipts

Phone: 827-6031

Email smalalve@nmag.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY16	FY17		

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY16	FY17	FY18		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY16	FY17	FY18	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: None at this time.
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE**BILL SUMMARY**

This analysis is neither a formal Attorney General's Opinion nor an Attorney General's Advisory Letter. This is a staff analysis in response to an agency's, committee's, or legislator's request.

Synopsis: Senate Bill 294 add a new section to the Gross Receipts and Compensating Tax Act, NMSA 1978, Section 7-9-1 to -115 (1966, as amended), creating a gross receipts tax exemption on receipts from the sale of access to private lands for hunting and fishing only.

FISCAL IMPLICATIONS None to this Office.

SIGNIFICANT ISSUES None. New Mexico courts have generally upheld tax exemptions. According to one early case, "[i]n the exercise of the power of taxation the state is free to select its subjects, and also to grant exemptions. There is no rule under any provision of the Constitution of the state or national government that requires a precise equality in taxation." Lougee v. New Mexico Bureau of Revenue Comm'r, 42 N.M. 115, 134, 76 P.2d 6 (1937).

PERFORMANCE IMPLICATIONS None to this Office.

ADMINISTRATIVE IMPLICATIONS None to this Office.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP None at this time.

TECHNICAL ISSUES None.

OTHER SUBSTANTIVE ISSUES None.

ALTERNATIVES None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL Status quo.
Gross receipts tax may be imposed on receipts from the sale of access to private lands for any purpose.

AMENDMENTS None.